

◆CERB NEWS◆

State investments in Grant, Cowlitz and Mason counties will retain existing jobs and boost new job creation supporting business development, as a result of actions taken at the March 16, 2006, meeting of the Washington State Community Economic Revitalization Board (CERB).

City of Longview

In Cowlitz County, the City of Longview received conditional approval for a \$160,000 loan and \$140,000 grant

to help construct road, storm water drainage, potable water and sanitary sewer improvements to support the phase I facility development of Lyman Lumber and Affiliated Companies in the City's Mint Farm Industrial Park. Lyman Lumber's Phase I development is the Tri-County Truss Company.

LONGVIEW W A S H I N G T O N

Lyman Lumber and Affiliated Companies estimates 99 full-time equivalent jobs will be created within three years of completion of the \$22 million 36,000 sf

facility, where trusses for the construction industry will be manufactured. After phase I, Lyman Lumber and Affiliated



Companies plans two additional phases that include another manufacturing facility and a distribution facility completed by 2010. The future phases II and III will create additional jobs over and above the 99 jobs associated with the CERB project.

"The company's decision to build at the Mint Farm Industrial Park is an incredible employment opportunity for Longview. The company culture and values, along with the potential of 480 new jobs over the next five years, will be a great

asset to our community. We're pleased to welcome Tri-County Truss as a member of our community," said Bob Gregory, City Manager.



Mint Farm Industrial Park

The Lyman Lumber development at the Mint Farm Industrial Park will position the company for Southwest Washington and Oregon markets. CERB funds are matched with \$179,664 from local sources.

Port of Moses Lake

In Grant County, the Port of Moses Lake received conditional approval for a \$800,000 loan and \$200,000 grant to help support the retention and expansion of Solar Grade Silicon (SGS), the world's first dedicated producer of polycrystalline silicon for solar applications. With the help of CERB funds invested in necessary electrical upgrades for an additional 40-megawatts of power, SGS will retain 6 existing jobs, create 70 new jobs and construct several buildings valued at approximately \$400 million ranging from 80,000-100,000 sf.



REC Silicon, the parent company of SGS, utilizes proprietary silane and polysilicon technology for electronic and solar applications. A key advantage of this location is the low-cost power generated by the Grant County Public Utility District. There is an acute worldwide shortage of the products manufactured by REC Silicon and market trends demonstrate demand will continue to grow in solar energy development.



CERB grant funds are an important element of the public infrastructure financing package to lower the cost of power, creating a location incentive for REC Silicon to evaluate Washington State for the SGS facility. Due to competitive challenges, there is a risk that this expansion may be undertaken either in Butte, Montana or in Norway where the REC Silicon home office is located. The company will deliberate as to the final choice of the site.

"The Solar Grade Silicon expansion in Moses Lake will put Washington State in the forefront of the solar electrical generation industry. The community and the state of Washington have done everything we can to promote this investment," said Terry Brewer, Executive Director of the Grant County Economic Development Council.

CERB funds are matched with \$2.5 million from local and private sources.

City of Moses Lake

Also in Grant County, the City of Moses Lake received conditional approval for a \$666,100 loan and \$63,910 grant to help with water, sewer and electrical power improvements to support the first Guardian Fiberglass, Inc manufacturing facility in Washington State. CERB grant funds are also key to the public infrastructure financing package to lower power costs of the 25-megawatt electrical substation constructed by the



Grant County Public Utility District. Guardian estimates 128 new jobs will be created to produce a complete line of light density fiberglass building insulation products. These products will supply the general region of the Northwest states and western Canada. The company will invest approximately \$35 million for a 750,000 sf facility and machinery.

"We've worked closely with staff at CTED/CERB and others to recruit Guardian Fiberglass to our state. The 128 full-time, year-round manufacturing jobs are much needed in our community," said Terry Brewer, Executive Director of the Grant County Economic Development Council.

GUARDIAN FIBERGLASS

CERB funds are matched with \$2,620,820 from local and private sources.

Port of Shelton

In Mason County, the Port of Shelton received conditional approval for a \$129,375 loan and \$43,125 grant to support the retention and expansion of Belco Forest Products, Inc in the John's Prairie Industrial Park. CERB funds will be invested in water

improvements to support Belco Forest Products, Inc, a manufacturer of value-added wood products. Belco creates siding, trim and fascia products for the residential housing market. Water improvements are required to provide sufficient fireflow to Belco's existing facility thereby allowing it to continue operating and retain 45 current jobs, as well as construct a 16,000 sf facility and create 14 new jobs.





"The benefits to the Port of Shelton are great; of course we'll have a new tenant for the Port, fourteen new jobs with the opportunity to partner with Mason County, the Mason County EDC and Belco to support job retention in our county. Also, approximately 75 acres will now have water service, both potable for future industrial expansion," said Patti Miller-Crowley, Planning and Development Manager, Port of Shelton.

In addition to the direct impact of the CERB project, the water line extension will facilitate a number of economic development opportunities within the Mason County Urban Growth Area. The water improvements will open up 75 acres of Port land for future

industrial development. There are few parcels of available industrial land in Mason County served by adequate fire flow water capacity. Future industrial growth and jobs will be possible because of the water line extension supported by the CERB project. CERB funds are matched with \$170,000 from local sources.



Johns Prairie Industrial Park

Update on CERB Job Development Program

CERB received 63 Job Development Fund Program applications on April 3 competing for up to \$50 million for public infrastructure supporting business development and job creation. Application requests to JDF total \$228.5 million for public infrastructure costs, matched with \$803.8 million from other sources for the remainder of public facilities costs. The JDF Program was approved by the 2005 Legislature with the signing of ESHB 1903 into law, and is a new program within CERB. The bill requires a 67% match to the JDFP grant request for public facilities.

JDF Implementation Timeline (where we are now)

April 3, 2006	JDF applications due
May 18, 2006 (may incl 1/2	CERB reviews and adopts prioritized project list; forwards list to the Public
day option May 19 if req'd)	Works Board (PWB)
August 2006	PWB reviews and approves list
Aug/Sept 2006	CTED includes list in budget request; submits to OFM
Nov/Dec 2006	OFM reviews for Governor's budget
Dec 2006	Governor makes budget and legislative request decisions
April 2007	Legislature approves list
July 2007	Funding appropriated for selected projects
Sept 2007	Funding available to execute JDF contracts

Staff contact: Matt Ojennus, JDF Program Coordinator, 306/725-4047

CERB Board Members and Staff March 2006

Update

2006 Legislative Session

E2SHB 2673 local infrastructure financing tool (LIFT) demonstration program

This bill identifies CERB as the entity with approval authority for three demonstration projects and competitively selected projects called for under the bill. The bill reserves project awards for three specific demonstration projects that have priority, leaving approximately \$2.5 million for CERB to award. The bill sets a limit of \$5 million annual LIFT limit.

Upcoming CERB Meetings

May 18, 2006

July 20, 2006 (Applications due June 5, 2006)

September 21, 2006 (Applications due August 7, 2006)

GOVERNOR APPOINTED

Tom Trulove, Board Chair Cheney, Washington Public Sector Economist

Jeffrey Matson, Vice Chair Sunnyside, Washington Port Official

George Raiter

Kelso, Washington

County Official

Vicki Gordon

Pasco, Washington

Small Business Representative

Dennis Townsend

Eatonville, Washington

Small Business Representative

Drew Hansen

Bainbridge Island, Washington
Public Representative

Julie L. Anderson *Tacoma, Washington*City of Official

Peter Han

Redmond, Washington
Large Business Representative

Marty Gardner *Kennewick, Washington*Large Business Representative

Julie Tappero
Gig Harbor, Washington
Small Business Representative

Miland Walling
Bickleton, Washington
Small Business Representative

Vacant Federally Recognized Indian Tribe Representative

Public Representatives

Senator Tracey Eide Senate Majority Caucus

Senator Mike Hewitt Senate Minority Caucus

Representative John McCoy House Majority Caucus

Representative Dan Newhouse House Minority Caucus

AGENCY REPRESENTATIVES

Elizabeth Robbins Dept. of Transportation

Gary Kamimura
Employment Security Dept.

Victor Vasquez

Community Trade & Econ. Dev.

Skeets Johnson Dept. of Revenue

CERB/CEAC

Kate Engle Rothschild CERB Program Manager

Janea Eddy CERB Program Assistant

Dara Fredericksen CEAC Managing Director

Matt Ojennus JDFP Program Coordinator

Jerri Smith JDFP Program Assistant

PROJECT DEVELOPMENT SERVICES

Dick Larman, Managing Director Project Development Staff:

Brent Bahrenburg

Terry Lawhead

Bob Sandoval

Lynn Longan

CERB is a state economic development resource strategically focused to help business and industry create and retain jobs in partnership with local communities.

CERB provides financing for construction of public facilities that support private sector development and increased employment opportunities.

Management support is provided by Community, Trade & Economic Development, Washington's lead agency charged with enhancing and promoting sustainable economic vitality throughout the state.

ECONOMIC REVITALIZATION

E R B

INVESTING IN

WASHINGTON'S ECONOMIC FUTURE

Communities with potential projects are encouraged to contact CERB staff at 360.725.4058 or by email to KateR@cted.wa.gov